

**MINISTRY OF WELFARE AND SOCIAL SECURITY  
NATIONAL POPULATION COUNCIL**

**SUDAN NATIONAL VOLUNTARY  
REPORT**

## EXECUTIVE SUMMARY

The current status of human development and MDGs indicators suggest that Sudan has made a remarkable progress in a number of indicators particularly those relating to peace, health and education. Available evidence suggests that education, health, gender equity, social protection and standards of living have expanded significantly in spite of the numerous challenges facing Sudan internally and externally. However, progress has been slowed by the eruption of violent conflict and the resulting impacts on institutional stability and social capital. Besides, while the human development trend over time at the country level shows some signs of recovery and growth, achievements across Sudan's regions and administrative states in the country vary considerably due to the prevailing patterns of development. Moreover, during the past two decades Sudan has made considerable progress in governance reforms and peace-making. The signing of the Comprehensive Peace Agreement (2005), which ended the prolonged war in Southern Sudan, and the adoption of the federal system are among the major achievements.

Since independence Sudan has been confronted with a wide range of challenges that hinder its development. For instance, the social, economic and political costs of conflicts in Sudan have been extremely high. Besides, the secession of Southern Sudan has resulted in two challenging issues that would seriously affect the development performance of Sudan. The first challenge is the spread of conflict in new areas and the second challenge is the loss of the bulk of oil revenues which resulted in far reaching economic and social impacts. In addition, Sudan is facing the challenge of overcoming the inherited wide geographical disparities in development through creation of an inclusive and broad-based growth in the presence of the current unilateral economic sanctions and the unresolved debt problem. Moreover, Sudan is facing the challenge of dealing with massive population movement (IDPs, refugees and migrants) caused by instability of the neighbouring countries and the continuation of internal conflicts. Sudan is also facing serious environmental challenges resulting mainly from the existing extractive livelihood systems, climate changes and conflicts. The issue of enhancing human and institutional capacities for better planning and implementation of development plans is quite crucial in post-conflict Sudan. Last but not least, Sudan is challenged by creation of effective development partnerships, with various actors, that would contribute effectively to meeting the growing development challenges.

In spite of the sizable development assistance provided by different development partners but the bulk of resources availed were humanitarian in nature. Moreover, available evidence suggests that progress in Goal (8) (Develop Global Partnership for Development) is disappointing due to limited commitment of development partners. Significant share of donors' assistance to Sudan has been implemented through UN agencies, INGO's and international private contractors. Pooled funding has been the dominant modality, the World Bank and the UN are the largest implementing agencies, and the largest support comes via the Multi Donors Trust Fund. However, there is a growing concern regarding effectiveness of pooled funding projects and implementation modalities based on direct execution. Finally, to achieve optimal performance and progress towards achieving the MDGs, the country and the people would need to overcome a wide range of challenges, and this requires commitment of the resources required and efficient and effective planning, coordination, true partnership approach between government and non-government organizations, the private and community sectors as well as the international community.

# 1. Country Context

## 1.1 Demography

Sudan is one of the most geographically diverse countries in Africa with population being divided along lines of ethnicity, tribe and economic activity. More than 40% of Sudan's population is below 15 years of age representing a typical feature of a developing country. High population growth in the country (2.4%) implies enormous challenges in terms of service provision, acceleration of economic growth as well as environment sustainability, resource management and social equity. In spite of the rapid pace of urbanization (from 8.3% in 1956 to approximately 40% in 2008) Sudan remains rural in social, economic and cultural outlooks with the majority of the country's total population (36,163,778 in 2013) living in rural areas. Sectoral distribution of the labour force shows that 44.6% of the population are employed in the agricultural sector while 40.1 are engaged in services sector activities. The industrial sector employs 15.3% of the population. Overall, two-thirds (64.4 percent) of the population of Sudan live in rural areas, with some states having higher or lower proportions of rural populations. For example, only 19.1 percent of the population of Khartoum state is rural, whereas 45 percent of the population in Red Sea state is rural. The rural fractions in the remaining states range from 67.8 percent in White Nile state to 82.3 percent in Northern state. However, Sudan is currently experiencing a phenomenal rural-urban migration driven in part by drought and desertification as well as by the better living conditions in the urban areas. Inadequacy of basic health and education services outside of Khartoum is also playing a role.

## 1.2 Economy

The exploitation of oil since 1999 has created a remarkable shift in the structure of the Sudanese economy, from predominantly reliant on agriculture for growth and exports, to reliance on the oil sector. Because of oil Sudan experienced its longest and strongest period of growth since independence where the size of economy, in terms of its GDP, grown substantially with real GDP growth rate averaged nearly 8 percent during the nine year period ending in 2008. The strong economic expansion generated by oil has, however, been unbalanced as, the inherited regional inequality and disparity in services provision remains striking while exports of key products have fallen in large part because of reduced competitiveness, leading to "jobless growth" and the country remains having a substantial external debt amounted to about US\$43.2 billion in nominal terms (more than 70 percent of GDP) in 2012<sup>1</sup>. Although data gaps are substantial it is believed that the majority of those who are economically active are involved in the informal economy activities<sup>2</sup>.

The exploitation of oil has also created a major geopolitical shift in Sudan's foreign policy allowing for new strategic relationships with key players in Asia namely, India, Malaysia and, but more importantly, China. Because of this strategic relationship with China the Sudanese government managed to counterbalance the unilateral economic sanctions put in place since 1989. However, the secession of South Sudan on the 9<sup>th</sup> of January 2011, set in motion by the Comprehensive Peace Agreement CPA signed in 2005, has created a new reality in the country with far reaching economic, political and social implications on the country. The economic and financial losses related to the secession are substantial and have affected all the sectors of the economy.

---

<sup>1</sup>International Monetary Fund (2013) Sudan, IMF Country Report No. 13/317

<sup>2</sup>United Nations Development Assistance Framework UNDAF, 2009-2012

### ***1.3 Social***

Sudan's performance in the social sector has been greatly affected by the protracted conflicts and institutional deficiencies. The robust GDP growth over the past decade has not been broad based enough to make a substantial reduction on poverty. The adoption of the federal system in the presence of inadequate institutional and human capacities has limited the ability of the government to render local social services. Therefore, the process of decentralization, introduced in 1992 to address regional disparities in the country, has brought to light severe institutional and human capacity challenges<sup>3</sup>.

Sudan has witnessed massive population movement (IDPs) caused by natural disasters and conflicts. The IDPs, essentially the product of war and conflicts specially in Darfur and Blue Nile, are largely living in camps (Darfur) while others are either in squatter settlements (Khartoum) or invisible to the outside world (Nuba mountains and Blue Nile). The IDPs are vulnerable to complex human security as well human conditions issues.

### ***1.4 Political***

Since independence in 1956 Sudan has witnessed remarkable political instability as reflected by the six alternating democratic and military regimes. During the past decade Sudan has witnessed a challenging political process prompted by the signing of the Comprehensive Peace Agreement (CPA) that ended the prolonged era of civil war between Northern and Southern Sudan which was largely supported by the international and regional efforts. In this regard, the Government has successfully organized the national elections and referendum on self-determination in southern Sudan which was held on schedule during January 2011. However, following South Sudan secession several issues remained unsolved including borders demarcation, Abyei area, oil processing and exportation fees, debts and the remaining northern SPLM armed forces in Blue Nile and Southern Kordofan. These issues have led to instability and tensions across borders and resumption of conflict in Blue Nile and Southern Kordofan States. Nevertheless, in response to the numerous challenges facing Sudan the National Congress Party, the winner of the 2010 election, has formed a wider government where several political parties have participated. Recently, the president has initiated a wide dialogue with all political parties with the objective of forming a unified national vision to address the numerous challenges confronting Sudan internally and externally.

## ***2. Situation Analysis: Achievements and Challenges***

### **2.1 Major Achievements**

The current status of human development and MDGs indicators suggest that Sudan has made a notable progress in a number of indicators particularly those relating to peace, health and education. Available evidence suggests that Education, health and standards of living have expanded in Sudan over the last 30 years. However, progress has been severely slowed by the eruption of violent conflict and the resulting impacts on institutional stability and social capital<sup>4</sup>. Besides, while the human development trend over time at the country level shows some signs of

---

<sup>3</sup>African Development Bank Group (2010) SUDAN: Country Brief – 2010/2011 Regional Department, East II (OREB)

<sup>4</sup>MWSS and UNDP (2012) Sudan National Human Development Report, 2012, UNDP, Khartoum, Sudan

recovery and growth, achievements across Sudan's regions and administrative states in the country vary considerably<sup>5</sup>.

### **2.1.1 Governance and Peace Making**

During the past two decades Sudan has made considerable progress in governance reforms and peace-making. There were a number of achievements in place including:

1. Adoption of the federal/decentralization system with the objectives of promoting public participation, empowerment of communities and curbing regional disparities.
2. Progress in building peace since the signing of the CPA in 2005. The Eastern Sudan Peace Agreement signed in 2006 is still functioning with appreciated achievements. Following the signing of Doha Document for peace in Darfur (DDPD) in July 2011 key structures stipulated by the agreement have been established and functional. Darfur Regional Authority (DRA) was launched and assumed full function in February 2012 and is now legally empowered to oversee recovery and development initiatives. The DRA Council, established in October 2012, operates as a supervisory body to monitor, organize the DRA's substantive competencies and recommending legislative amendments where necessary.
3. Adoption of Interim National Constitution that stresses commitment to:
  - i. A decentralized multi-party democratic system of governance
  - ii. Peaceful transfer of power
  - iii. Values of justice, equality, human dignity and equal rights and duties of men and women
  - iv. Political advancement towards the enhancement of economic development, promotion of social harmony, deepening of religious tolerance and building trust and confidence in the society<sup>6</sup>.
4. Presidential and parliamentary elections were held within the agreed timeframe.
5. The Year 2011 began with the peaceful and credible completion of the South Sudan referendum.

### **2.1.2 GDP Growth and Poverty Reduction**

Since early 1990s Sudan has started to adopt and implement a package of home-grown economic reforms known as "Economic Liberalization Policies"<sup>7</sup>. However, starting the late 1990s and continuing for about a decade the Sudanese economy recorded good GDP growth, maintained a relatively stable exchange rate, held inflation down to single digits, substantially increased government revenues, and sustained external balance. The increase in Foreign Direct Investment (FDI) largely driven by the oil sector as well as the boom in the services sector (especially construction, transportation and communication) has stimulated the recent growth performance. Up to 1999, the year which witnessed the beginning of Sudanese exports of oil, the petroleum sector contribution to the GDP was negligible and in fact prior to that date, the shortage of petroleum products was a permanent handicap impeding the economy, production and

---

5Ibid

6 The Interim National Constitution of the Republic of Sudan

7Those included reducing substantially government spending on basic social services, liberalization of internal and foreign trade, removal of subsidies, devaluation of the currency, raising taxes, curbing public employment and privatizing some state-owned manufacturing.

development. Since 1999, oil had gradually assumed a corner stone position for Sudanese economy, as indicated by its contribution to the GDP, foreign trade and government revenue. Needless to say that significant contribution of oil to one or all of these economic indicators means a considerable impact over almost all aspects of the economy and society.

The situation has changed dramatically after 2011 and the secession of south Sudan, where the bulk of oil fields lie, which exerted huge pressure on the economy of Sudan. The economic deterioration which had already started, prior to the separation due to the global financial crisis, was further aggravated the economic sanction. Official estimates of the cost of the secession of southern Sudan was 75% of the oil production, 50% of budget revenues, more than 65% of foreign exchange revenues and 80% of total exports. And as a result, annual growth rate declined from more than 5% in 2010 to about 2.5% in 2011, and economic growth rate was negative in 2012. Inflation which fell to single digits during the high growth period has started to climb at unprecedented rates. It reached about 42% in 2013 compared to 13% and 15% in 2010 and 2011 respectively<sup>8</sup>.

Following South Sudan Secession the government has adopted a Three Years Economic Sustainability Programme (2012-2014) which is designed to absorb the consequences of oil revenues loss. The programme consists of four sets of policy measures (fiscal policies, monetary and credit policies, productive sector policies and Social sector policies). Recent statistics show that in spite of the numerous challenges the economy has recorded positive growth rates during the years 2011, 2012 and 2013 which estimated to be 2.5%, 1.96% and 3.6% respectively<sup>9</sup>.

Sudan is committed to reducing the burden of poverty and to this end has attached great importance to improving public services delivery, creating employment and establishing safety nets. The Government's pro-poor spending has been on an increasing trend in recent years, and through the Investment Encouragement Act, the government offered generous incentives to domestic and foreign investors to invest in agriculture, manufacturing and services, with a view to increasing growth and employment. The government has also initiated and expanded provision of microfinance to include large segment of the population. Recently the Government introduced Social Initiative Programmes to support vulnerable groups including the extreme poor, the homeless, the orphans and the poor pensioners<sup>10</sup>.

Throughout the history of Sudan high levels of poverty incidence was the outcome of a complex set of interrelated factors including the bias against rain-fed agriculture (low productivity) and absence of pro-poor policies<sup>11</sup>, erosion of governance, the persisting traditional nature of rural economy, absence of disaster management strategies, loss of land capability to desertification and spread of conflicts under conditions of accelerated pace of population growth and

---

<sup>8</sup>Ministry of finance and National Economy, "The real sector: current position, challenges and future prospects", a paper presented by the Ministry of Finance at the Economic at the Economic Forum, Khartoum, 26-27, November 2012.

<sup>9</sup>Taha, Hassan Ahmed (2013) Evaluation of the Three Years Programme for Economic Sustainability, Second Economic Forum, Ministry of Finance and National Economy, friendship Hall (November 2013)

<sup>10</sup> IMF (2013) Sudan Interim Poverty Reduction Strategy Paper, IMF Country Report No. 13/318, IMF Washington DC

<sup>11</sup>In fact, adopted policies of adjustment and liberalization have particularly hit the poor, especially rural population.

globalization. Moreover, the economic embargo, debt burden (no relief) and lack of development partners have worsened the situation.

### ***ICT as a Model for Effective Public-Private Partnership***

The state, considering the obstacles and barriers facing the public sector in general, and the important sector of telecommunications in particular, adopted the Economic Rescue Program whereupon the sector was liberated to perform in a free competitive environment. The rescue program emphasized the role of the sector in the social and economic development process and demanded to put an end to the state monopoly thereto. The program invited the private sector to contribute to the investment in the sector industry whether privately or on sharing principle with the public sector. Therefore, within the purview of the Economic Rescue Program many reform steps were taken to restructure the sector and eradicate state monopoly.

Currently, Sudan is considered to be one of the countries that are acceptably prepared for the Information era. Internet usage statistics show that Sudan has 6.5 million Internet users as of June 2012, which constituted 19 per cent of the population and 3.9 percent of Internet connectivity. Furthermore, Sudan is sixth on the list of Africa's top 10 Internet countries, despite high levels of poverty.<sup>1</sup> Sudanese mobile users exceed 27 million<sup>1</sup>. Therefore, The status of modern ICTs and of advanced communication technology recently established in Sudan can provide an excellent opportunity to further the ICT for development within programme strategies and approaches, thereby achieving broader outreach and substantive development results.

### **2.1.3 Education**

The government policies are geared towards the provision of free and compulsory basic education for all. This commitment is reflected in the Interim National Constitution as well as in the Twenty-Five National Strategy 2007-2031. Besides, the National Plan for Education for All was developed in 2003- with detailed activities, programs and estimated budget. However, considerable efforts are still needed in order to ensure significant improvement in all basic education indicators to ensure quality education for all by 2015. In addition, there is also a Five-Year Plan 2007-2011 which is an integral part of the Twenty-Five National Strategy 2007-2031. Both plans provide a roadmap for the further development of education for making solid progress towards achieving MDG2 by 2015. The establishment of a directorate for girl's education, as stipulated in the Girls Education Policy, at both federal and state levels in 2000 represents one of the important policy tools to reduce gender gaps in education.

National education trends have served as the driver of human development progress in Sudan over the last three decades. Combining gross enrolment ratios at all school levels and adult literacy, the education index for Sudan has grown at nearly twice the rate of other HDI components. Gains in primary and tertiary enrolment are largely behind the education improvements. Between 2005 and 2009, gross enrollment rate in basic education rose from 68% to 82% and the net admission rate in the first grade rose from 29.7% to 48%. With regard to secondary education, the fastest relative growth during the last ten years was recorded in 2008/2009, reaching 6%. Higher education witnessed significant expansion during the period 1990 to 2011. In 1990 there was a limited number of institutions (5 universities, 2 private colleges and 12 technical colleges). In the year 2011, the number of higher education institutions rose to 30 government universities, 6 private universities, 44 colleges and higher institutes and

20 technical colleges. Accordingly, the intake capacity of higher education institutions reached more than 500 thousand student, representing 10% of the population in the age group 17-23 years<sup>12</sup>. Therefore, one of the important causes of the expansion in education has been tertiary-level enrolment.

Slow literacy improvements, however, highlight potential challenges in the quality of education<sup>13</sup>. Moreover, primary enrolment is the other central factor in education advances, although at a slower pace than university-level gains. Besides, despite the persistent gender gap in primary education, there are considerable improvements owing to the efforts made by the government over the last five years. At tertiary education level, it is evident that there is a higher rate of enrolment of girls than boys.

#### ***Contribution of UN Agencies and their Partners to Education***

UN agencies and their partners contributed significantly to the provision of education services particularly for the vulnerable in remote and war affected areas. For instance, in 2012 Sector partners together provided access to education for over 120,000 children, nearly 50% of whom were girls. Moreover, over 220 classrooms were constructed or rehabilitated, and some 1,250 teachers trained, contributing to a total of nearly 240,000 children receiving an improved quality of learning against a target of 350,000

*UN (2012) Sudan: United Nations and Partners Work Plan 2013*

#### **2.1.4 Health**

The strategic objectives of the health sector as stated in the National Health Sector Strategic Plan (2012-2016) have been focused on improving equity in access and utilization of health service and improving responsiveness and efficiency of the health system to the people's expectations and needs. The strategic direction emphasizes strengthening of Primary Health Care, strengthening referral care by improving/ensuring the quality and efficiency of hospital services and ensuring social protection by increasing health insurance coverage, reducing reliance on out of pocket payments, and provision of universal minimum package.

In spite of the numerous health related risk factors prevailing in Sudan such as conflict, natural disasters and environmental hazards but Sudan some progress has been made in health indicators namely malaria, infant mortality, child mortality and maternal mortality. Progress achieved in reducing child mortality is modest one and more efforts are needed to further reduce the current rates of child mortality.

Malaria is considered the major health problem in Sudan. Estimates show that the rate of new infections in 2009 has reached about 7,430/<sup>100,000</sup> population. The Ministry of Health and the World Health Organization exerted enormous effort to curb the epidemic. These efforts have had

---

12Abdel Ati, Hassan (ed) (2012) Sudan Population: changes and challenges, National Population Council, Khartoum.

<sup>13</sup>op cit, 2012



a positive impact in reducing infection rates and the national average fell from 33% in 1990 to about 5% in 2010<sup>14</sup>.

With regard to child mortality indicators, estimates show that rate in Sudan relatively high when compared to other countries with similar socio-economic and cultural status. Infant mortality rate is estimated at 60 per 1000 live births and more than half of these are neonatal deaths (34/1000 live births) occurring (58%) in the post-neonatal period. Under-5 Mortality Rate is estimated at 83 per 1,000 live births. There has been a significant decrease in the under-5 mortality rate (U5MR) in Sudan over the years as it declined from 123 in 1990 to 83 in 2010 (33% decline) while neonatal mortality rate has declined by only 11% during the same period<sup>15</sup>.

With regard to Maternal Mortality Rate (MMR), the national figure is estimated at 216 deaths per 100,000 live births reflecting an observed enormous decline from the 1990 estimates of 537 deaths per 100,000 live births. Interventions implemented in this area focused on increasing accessibility and improving the quality of RH services through training of medical assistants on provision of reproductive health services. Besides, intense awareness raising efforts were exerted through the development of IEC material addressing the various RH issues, as well as via national and local broadcasting media in the different states.

### **2.1.5 Gender Equity and Women Empowerment**

As discussed earlier, considerable achievements were realized in enhancing gender equality in access to basic social services. Besides, progress towards gender equality in the labor market was assessed on the basis of the share of women wage workers in the non-agricultural sector expressed as a percentage of total wage employment in this sector. Over the period 1990 -2000, there was significant progress in Sudan; the share of women in paid non-agricultural activity rose from 18% to 30%. However, the last two population censuses in 1993 and 2008 put women's economic participation rate at 26% and 25% respectively.

Over the period 2004-2010 there are 15 percentage points increase in seats occupied by women in parliament. Currently 25% of the parliament seats are occupied by women compared with 9.7% in 2004.

Among the interventions undertaken to improve gender and women empowerment are the followings:

- 1- A national plan for Combating Gender Based Violence (C/GBV) was promulgated, administered by the Unit of Combating Violence against Women, Ministry of Justice in 2005.
- 2- The Government adopted a national policy on women empowerment in 2007.
- 3- The national civil servant law (2007) affirmed the principle of free competition for selection to jobs and reaffirmed the principle of equal pay for equal work and stressed selection and promotion according to merit.
- 4- The 1991 criminal law was amended in 2009 to include a provision on special protection for women during armed conflicts.

---

<sup>14</sup>Op cit (2012)

<sup>15</sup>National Population Council (2013) Sudan Health Related MDGS: progress made and agenda for post 2015, National Population Council, Khartoum

- 5- The general directorate for developing and organizing the banking system has adopted economic programs, responsive to women, through a decree issued by the Sudan Central Bank in 2007.

However, still more efforts are needed to eliminate disparities between regions and to narrow gender gaps in education and female's employment.

### **2.1.6 Social Protection**

Social protection policies and programmes in Sudan include Social Insurance, e.g. pensions (to ensure a minimum income in old age), health insurance (to protect the well-being of households in the face of adverse events), Social Assistance through targeted programs (to increase the access of vulnerable groups to basic services) as well as Labor market policies and programmes (to promote employment, productivity, and micro-finance). These programs complement the delivery of basic health and education services, financial services, the provision of utilities and economic infrastructure, and other policies and programs aimed at reducing poverty and managing risk.

An important and primary social protection mechanism in Sudan is Zakat, which is an Islamic measure for wealth distribution and building of productive capabilities, and is playing an important role as a source of social assistance for the poor. However, expenditure on the poor from the Zakat Fund as a percentage from total government pro-poor spending constituted about 3.2% in 2004. Nevertheless, zakat contribution declined steadily thereafter and reached 1.4% of the total pro-poor expenditure in 2008<sup>16</sup> due mainly to increase in government pro-poor spending.

One of the social support schemes adopted by the Ministry Welfare and Social Security is the Social Imitative Programme (SIP) that consists of eight components. The programme is aiming at provision of an integrated package of services for 500,000 families from the poorest households. Besides, the project also aims at provision of a diverse range of health services, education and income generating activities for the rest of the poor households. However, social protection schemes in Sudan are challenged by the fiscal adjustments being undertaken in response to reduction of oil revenues following secession of Southern Sudan. This has led to suspension of subsidies on key commodities in addition to other austerity measures coupled with the pressures on the foreign reserve position of the country the thing that have aggravated the situation of the poor.

---

<sup>16</sup>GoS, NPC (2010) "Sudan Millennium Development Goals Report", Khartoum

### *Community Driven Initiatives*

The biggest initiative by far is the Community Development Fund (CDF) which is financed by the Government and MDTF donors. The main objective of CDF is to meet urgent community-driven recovery and development needs in the war-affected and underdeveloped areas of Sudan, including North Kordofan, South Kordofan, Blue Nile, Kassala States and Abyei area by providing social and economic infrastructure. Another key objective of the CDF is the empowerment of communities and local government entities to initiate and lead local level community driven development activities. Since the start of CDF in 2006, it has supported over 1100 community initiatives that are intended to improve access and quality of basic services for the communities affected by the conflict and less developed in the past.

*IMF (2013)*

## **2.2. Sector-Specific Challenges**

### **2.2.1 Economy**

#### **2.2.1.1 Loss of Substantial Oil Revenues Share**

As a result of the secession of South Sudan, Sudan has lost a considerable source of budget and external account revenues. Immediately after secession in July 9, 2011, the flow of oil revenue from Southern oil fields, which previously accounted for around 75 percent of Sudan's total oil production during the transitional period, stopped. The loss of oil revenues have resulted in a significant adverse impact on Sudan's economic growth, mostly through reduced government consumption and investment as well as a deteriorating trade balance. The share of oil sector, before secession, is estimated to be about 16% of GDP, 90% of exports and about 54% of budget revenue. Due to these considerable losses of oil revenues (about 6 billion USD) the rate of economic growth slowed down 2% in the year 2012. Furthermore, secession of South Sudan caused a loss of 20% of GDP and 90% of the exports revenue. On the fiscal front, the budgetary deficit reached 6% of the GDP. Hence, an unavoidable fiscal adjustment has significantly reduced public spending, which previously accounted for over 20 percent of nominal GDP. In addition, inflation rates have increased tremendously and reached more than 40%. The country is also facing serious shortages in foreign exchange reserves which has almost depleted following the global economic crisis and the loss of oil revenues. This has led to considerable depreciation of national currency and the reemergence of an expanding parallel market for foreign currencies. Investment decisions are also expected to be affected by the unfavourable macroeconomic manifested in the high inflation rates and restriction measures over exchange rates - adopted by the government due to lack of foreign currencies.

#### **2.2.1.2 Conflict and its Cost**

The social, economic and political costs of conflicts in Sudan have been extremely high. These involve loss of human lives, enormous human insecurities, erosion of governance and massive loss of economic resources, derailing of development interventions, wide sense of social despair and apparent political instability. The current Darfur crisis has resulted in a serious humanitarian crisis manifested in massive population movement, mainly traditional farmers, have been

displaced; hundreds of thousands have also been displaced in South Kordofan and Blue Nile since 2011.

Other developmental costs of conflicts are quite high but involve many complexities in computation. This involves widespread violence, especially against women and children; decline of production, destruction of physical, human and social capital; reduction of the country's investment ratio to less than one third of its potential ratio under normal conditions; and reduction of potential per capita GDP by a cumulative rate of 8%<sup>17</sup>. This is besides contributing to widening regional disparities that further perpetuates the persistence of conflicts.

### **2.2.2 Education**

Education in Sudan is facing a number of challenges that may hold back the realization of the ambitious objectives of the sector. These challenges include:

- Spread of poverty and illiteracy are among the major causes of deprivation of children from poor families to attend school up to the end of the education cycle. The pressing need for children to contribute to household income, particularly in rural areas, has negatively affected children education.
- The war, along with the devastation of HIV/AIDS, has left many children as orphans and head of households. These children are less likely to attend school and more likely to drop out if already enrolled.
- The Large-scale rehabilitation and reconstruction needs for school facilities accompanied by shortage and inadequacy of the amount of funding for education from different sources.
- The policy of decentralization of administration and management of basic education being the responsibility of local councils, this has to a greater extent contributed to very low level of education funding.

### **2.2.3 Health**

Health in Sudan is facing huge challenges related to different levels of care as well as policy and community levels. These challenges are reflected in shortfalls in the availability, accessibility and quality aspects:

- Working in a large country with a population that is thinly spread and a highly mobile such as refugees, displaced, nomads and massive rural-to-urban-migration adds to another dimension of the challenges
- The challenges emerged from decentralization whererresponsibility for basic health service provision was decentralized to state and local levels, but the necessary funding transfers from the central government have remained insufficient.
- Commitment of the necessary financial and human resources to implement the strategies and policies currently in place effectively and efficiently.
- Inadequate national human resource management, worsened by a continuing brain drain of skilled personnel
- Recurrence of natural and man- made disasters.

---

<sup>17</sup> Abdel Gadir, Ali and Wani, Paul (2004) Opportunities and Challenges in the Post-Peace Era in Sudan, Background paper presented to UNDP, Sudan

### 3. Challenges for Meeting the Millennium Development Goals in 2015

#### 3.1 MDGs in Sudan: Progress and Causes of Shortfall

Putting into consideration the numerous internal and external challenges and complexities surrounded the adoption of MDGs planning framework in Sudan, the following conclusions could be drawn regarding MDGs achievements and failures:

MDGs Achievements	
Nature and characteristics of achievements	Reasons for Poor Performance/Indicators
<ul style="list-style-type: none"> <li>Reasonable progress has been made towards several of the MDGs, especially education, infant and child mortality, access to water and sanitation</li> <li>The current MDGs indicators reveals remarkable inequalities with respect to gender, rural-urban, and between and within states</li> <li>As expected, the worst performance indicators were recorded in the conflict affected areas</li> <li>Highest progress realized was on education and worst was on goal 7 (environmental sustainability) and 8 (Global partnership)</li> <li>Progress in education was mainly quantitative in nature and therefore, more effort is needed to cater for qualitative aspects.</li> <li>Progress in health was very much concentrated in towns and especially in Khartoum state due to the inherited unbalanced distribution of facilities and personnel.</li> </ul>	<ul style="list-style-type: none"> <li>Poor statistics and inadequate baseline data, especially in the states</li> <li>Lack of financial resources needed for implementation of MDGs</li> <li>Poor capacities in the states for implementation or monitoring (technical &amp; financial)</li> <li>Wars and conflicts</li> <li>Highly centralized planning, quick changes and limited follow up to plans and failure to integrate MDGs in them</li> <li>Economic sanction and poor foreign relations and failure to make use of Goal 8</li> <li>Strong central monopoly of financial decisions within the adopted federal system</li> <li>Global food and energy</li> <li>The 9/11 incident and the war on terror which changed the world priorities</li> <li>Instability in the region (conflicts and wars in the Arab region (resources) and neighboring African countries (refugees, instability)</li> <li>Global financial and economic crisis</li> </ul>

#### 3.2 The Challenges to Meeting MDGs and Realizing Human Development

##### 3.2.1 Spread of Conflict

Following South Sudan secession disputes over the region of Abyei continues and no agreement of border demarcation - that may lead to more armed clashes along the border – is been reached yet. The South Kordofan conflict has erupted out in June 2011 between the Army of Sudan and the Northern groups of SPLA, over the Nuba Mountains and Blue Nile areas. More than 366,000 people remain either internally displaced or severely affected by the conflicts in South Kordofan and Blue Nile, and some 109,000 others have fled to South Sudan and Ethiopia<sup>18</sup>.

As discussed earlier, conflict destroys accumulated physical and human capital, forces replacement of labor and deteriorating institutional capacity. A country experiencing conflict cannot secure long term returns for investments, in both its physical and human capital, which may result in low investments in health and education. All of these factors eventually lead to low levels of human development. A country with low levels of human development has more difficulty in improving institutions and in increasing productivity and potential growth. In turn, lower unequally distributed growth heightens the risk of conflict, potentially trapping a country in the loop.

<sup>18</sup> OCHA, 2011 Sudan Humanitarian Update, 4<sup>th</sup> Quarter 2011

### **3.2.2 Economic Crisis**

The consequences of the current economic difficulties facing Sudan on living conditions of the population are apparently quite serious. Real per capita income of the majority of the population is likely to be affected by inflation and negative growth rates of the GDP. Unemployment rates, which are already high, are expected to increase further due to the contraction in the national income and the discouragement of investment decisions. Serious cuts in government spending adopted by fiscal authorities, in order to control budgetary deficit are going to affect pro-poor spending, particularly allocations to basic social services and subsidized goods. Hence, government ability to render adequate and accessible social services will be affected due to lack of adequate resources on the one hand and the steady increase in military spending - which is further induced by the spread of conflict to new areas – on the other hand. In the presence of high inflationary pressures and persistent inequalities, access to basic social services will be limited leading to low human development achievements. Moreover, low access to social services affects productivity, human capacities, and institutional capacities. Ultimately lack of/ and limited access to social services will lead to socioeconomic instability that would contribute to the continuation of conflict-low human development trap

### **3.2.3 The Wide Disparities in Development**

There are disparities between Sudanese, by gender and regions in the country. Historically Sudan's growth process has been unbalanced, with the majority of its manufacturing firms and irrigated land concentrated in the center with a huge disparity in development indicators between the best and worst performing regions in Sudan. Outcomes from the NBHS 2009 for a number of individual MDG-related indicators confirm that the major challenge facing Sudan's progress towards the MDGs is the massive inequality in outcomes and access to services. The significant development disparities between urban and rural areas and between regions contributed to growing inequalities and an increasing urban informal economy. This state of affairs has aggravated migration from rural to urban centers that is believed to have weakened agricultural productivity.

### **3.2.4 External Debts**

Sudan has been increasingly crippled with accumulated large unresolved external debt which will have a direct impact on its development. Current external debt reached the volume of US\$ 43.2 billion 2012 representing about 71.4 % of GDP. The bulk of the debt (69%) is from bilateral (Paris and non Paris club) while multilateral debt represents only 13%.Comercila bank's debt and supplier credit represents 13% and 5% of total debt.

External debt servicing diverts considerable national revenue resources according to current debt service commitments that could alternatively be directed towards development and social needs and hence poverty reduction. The burden of debt and the inability of the Sudan for access to concessional financing - directly undermines the prospects for economic feasibility on the short, medium and long-term. Similarly its ability to attract FDI has been constrained.

According to the analysis conducted by World Bank, the IMF and the Central Bank of Sudan debt is unsustainable. That means that Sudan cannot service the debt and make advancement on reducing poverty and achieving the MDGs. Sudan has been making payments in excess of obligations falling due to the IMF and small token payments to the World Bank and the African

Development Bank. With the independence of the South, the GoS has entered into negotiations with the Government of South Sudan (GoSS) over the apportionment of the stock of external debt. However, the burden of debt will remain heavy, likely to be heavier on a per capita basis and, with much lower export receipts, Sudan debt distress would be more severe. Pending the provision of debt relief from the creditors, Sudan will maintain a prudent borrowing policy, with reliance on concessional borrowing. The GoS will also continue to monitor the external debt and publish the results<sup>19</sup>.

### **3.2.5 Economic Sanctions**

The long standing unilateral economic sanctions have caused serious damages to the economy and people of Sudan as it hindered, among others, access to international debt relief initiatives like HIPC and to other potential sources of financial assistance. Sanctions have hit hard on the population and has affected agriculture as the US ban prevented Sudan from access to improved seeds and modern agricultural equipment. Moreover, Gum Arabic the fourth agricultural product export item affected despite exemptions, due to other related sanctions (banking, insurance etc).

The comprehensive trade and economic embargoes considerably impede the trade and development of the Sudanese economy. According to the United Nations Secretary-General's report, the economic sanctions imposed on Sudan have harmed the country's economies as well as the infrastructures, which have been badly affected. Furthermore, restrictions on access to the American market have hampered exports and decreased potential income and had a negative impact on the economic development of Sudan. It contributed to delaying the achievement of the 2015 Millennium Development Goals<sup>20</sup>.

---

<sup>19</sup> IMF (2013) Sudan Interim Poverty Reduction Strategy Paper, IMF Country Report No. 13/318, IMF Washington DC

<sup>20</sup>United Nations, General Assembly. "Unilateral economic measures as a means of political and economic coercion against developing countries."Report of the Secretary-General.United Nations, 14 July 2011

### ***The Impact of Economic Sanction on Health***

The major impacts of sanction on health occur through the effect on the importation, production and distribution of vital goods. The limitations caused by sanctions on the importation of medicines and other survival-related materials due to disruption of commercial arrangements, complications in transportation and lack of capital have directly contributed to weakening Sudan health services system. The functional capacity of the health care system has also degraded.

Economic Sanctions on Sudan have limited the access to clinical health services. They have also resulted in the shortages of medications. Furthermore, the lack of minimal lifesaving facilities at the first referral level such as the lack of equipment, personnel, knowhow even in referral hospitals, lack of access to spare parts and international professional training led to the loss of essential medical assistant, and faulty patient management.

Limited ability to import vital goods accompanied by reduction in the states' funds contributed directly to weakening the health infrastructures. Thus, the ability to correctly diagnose or treat common diseases was crippled. An inadequate health care system with misplaced priorities contributes to high morbidity and mortality rates. The degree of major infectious diseases is very high leading to an overall increase in morbidity and mortality rates that has become part of the endemic pattern of the precarious health situation.

*Hamid, Suzan (2013)*

### **3.2.6 Unemployment**

Poverty is wide spread and moderate estimates count that about 46% of the population are poor. These facts when added to the reality that the population is predominantly young put the issue of unemployment/employment among the top development challenges.

There is a structural workforce problem, as the rate of increase of the workforce (2.3%) is close to the population growth (2.6%) during the period 1993-2011. The expansion of the absorptive capacity of the economy is too limited to accommodate the increasing numbers of job seekers, resulting in an annual growth rate of unemployment of 6.5% during the same period. In 2011, the total unemployment rate was estimated at 18.5%; 13.3% for males and 32.1% for females. Disparities also appear between rural and urban areas with unemployment ratios of 16.0% and 22.9% respectively. High rate of growth of unemployment (6.5%), resulting from high rates of growth of the population and work force on the one side and the low rate of employment on the other side clearly demonstrates the inability of the economy to create job opportunities to match the growth in work force<sup>21</sup>.

### **3.2.7 Environmental Degradation**

Sudan is very rich country in terms of natural resources. The country is endowed with huge and diversified natural resources, fertile land, natural forests, fresh water, biodiversity, wild and domestic animal stock, marine ecosystems, mineral and soil resources. Sudan has being faced with various environmental problems including: desertification and land degradation, water pollution, deforestation, soil erosion and deterioration in biodiversity.

---

<sup>21</sup>Suliman, Elnaem (2013) Labour Force in Sudan 2011, a paper presented to the workshop on: analyzing results of the labour force survey 2011, Corenthia Hotel, December 2013.



The environmental situation in the Sudan is suffering from a serious process of degradation, which could be irreversible. Most of the once abundant and varied wildlife has disappeared, and agro-pastoral development is constrained by increasing desertification, erratic seasonal rainfall and successive dry spells. Deterioration in biodiversity and pressures on habitats are growing with more areas opened to development and investors. The impact of petroleum prospecting, drilling and transport on habitats, especially that of produced water on migratory birds is very disturbing. More than half the area of the country is affected by desertification as a result of inappropriate land use method, over-grazing and deforestation. Soil erosion is a major problem resulting from repeated use of fire deforestation and drought<sup>22</sup>.

### **3.2.8 Migration**

Massive population movement represents one of the serious challenges facing Sudan. A post-South Sudan separation IOM migration country profile of Sudan highlighted that 6.9 million people are affected by migration and displacement to, from and within Sudan. The figures, reveals at least 6.9 million people affected by migration and human displacement in Sudan. With 4.9 million internally displaced people, 750,000 foreign migrants and refugees living in Sudan and at least 1.2 million Sudanese living abroad compared with a total population of 39.2 million, the country faces enormous challenges to effectively manage migration<sup>23</sup>.

### **3.2.9 Weak Human and Institutional Capacities**

Development of the work force in Sudan is characterized by low educational attainment as well as stagnant capacity and limited standards of technical education and vocational training. At higher education levels, the skills of the labour force are out of balance with market demands and affected by a significant brain drain to Middle East countries. With regard to instructional capacities, the Joint Assessment Mission (JAM) report identified six broad areas for capacity building reforms in Sudan that would enhance the capacity of state for better management of the economy and service provision: the public service; local government and service delivery; the decentralization framework; public financial management; public procurement; and corruption<sup>24</sup>.

### **3.2.10 Ineffective Development Partnerships**

Development assistance to Sudan has been limited in size as it constitutes less than 0.5% of GDP and around 3% of budget. Besides, ODA has been criticized for being built mostly in political and economic conditionality, over shadowed with mistrust and mostly directed to humanitarian assistance rather than development. Moreover, in a clear departure from the pillars of Paris declaration on aid effectiveness, a significant share of donors' assistance to Sudan (about 75%) has been implemented through UN agencies, INGO's and international private contractors. Pooled funding has been dominant modality, the World Bank and the UN are the largest implementing agencies, and the largest support comes via the MDTF's. A recent report from the Ministry of Finance reveals that most of successful donor's supported projects were those under government execution.

---

<sup>22</sup> Ministry of Welfare and Social Security (2010) "Sudan Millennium Development Goals Progress Report 2010"

<sup>23</sup> IOM (2011) Migration in Sudan: a country profile, International Organization for Migration, Khartoum, Sudan

<sup>24</sup> Joint Assessment Mission (JAM) (2005) "Clusters Report", Vol. III, Khartoum: UNDP, World Bank and Government of Sudan.

Projects implemented through UN agencies and NGOs have been characterized by a number of shortcomings including: late starting date and delays in project completion; late transfer of financial resources from HQs; prolonged recruitment procedures; delays in the deployment of international staff; high rate of staff turnover; mostly TA not embedded within beneficiary premises; high cost and share of TA components; costly PMUs and parallelism; risk of lack of ownership; minimum contribution to capacity building; less results on the grounds and sustainability risk. On the other hand government response to ODA facilitation seems to be slow and this has affected the performance of donor's supported development projects<sup>25</sup>.

#### **4. The Critical Role of Development Partners in Addressing Development Challenges in Sudan**

Development partners can play substantial role in addressing various development challenges facing Sudan through provision of support in the following four areas:

##### **Economic Sanctions**

It has been quite evident that economic sanction has deep negative impact on realization of development objectives. Therefore, the international community is urged to support the endeavors of Sudan to eliminate/alleviate the unilateral economic sanction.

##### **External debts**

External debt will continue to limit the ability of Sudan to benefit from ODA and other sources of funding needed for development projects. Sudan is eligible for the Briton woods sponsored Heavily Indebted Poor Countries (HIPC) and Multilateral Debt Relief Initiatives (MDRI) but unable to benefit from these initiatives.

##### **Reintegration into the World Economy**

Sudan is need of support in order to be integrated into the world economy through effective trade relationships. This is one of the important areas where support of development partners is critically important. For instance, Sudan is yet to join the World Trade Organization and has encountered political conditionality.

##### **Support for Reconstruction and Peace Making**

The issue of reconstruction of conflict affected areas and peace making is top priority for Sudan. Development partners can play crucial role in achieving sustainable peace through provision of various types of development support.

#### **5. Meeting the Development Needs of Sudan: Priors for Immediate Interventions**

The following issues need to be addressed:

- High vulnerability of the economy to external shocks due to heavy dependence on oil and limited share of other productive sectors namely agriculture and industry.

---

<sup>25</sup> National Population Council (2013), General Secretariat Sudan National Consultation Paper on Post-2015 Development Agenda, NPC, Khartoum

- Lack of inclusive and broad-based economic growth as a serious threat to economic growth and peace.
- The large and rapidly growing public sector can be an impediment to the development of a robust private sector that is already functioning under conditions of economic uncertainty and an un-conducive investment climate
- High levels of unemployment associated with the limited absorptive capacity of the economy to accommodate the increasing numbers of job seekers remain a major threat to political stability and human security in the country.
- Wide spread of poverty associated with lack of inclusive growth and unequal income distribution.
- Concentration of poverty among rural households poses the challenge of enhancing investment in the traditional rural economy and investment in building the capabilities of rural communities.
- Regional inequalities as a big challenge to peace and stability and long-term development in the country.
- Challenges related to accessibility of basic social services due to the vastness of the country, shortage of facilities and personnel, inadequacy of infrastructure, maldistribution of the existing facilities and cadre, increasing cost of services, wide spread of poverty, shortage of funds and prolonged conflict and violence.
- The challenges of extending coverage of basic education, reducing inequities, building capacity and developing institutions.
- In health, the important and pressing challenge is to achieve an increase in service coverage to include the majority of the population particularly in the disadvantaged rural areas.
- The development agenda for the infrastructure sector are mainly maintenance of infrastructure, development of capacity and systems, and reform to improve safety, security and performance.
- Social protection and safety nets are challenged by the inability to cope with the growing number of the needy people and vulnerable groups. Finance and management issues among the main concerns.
- Addressing the complicated issue of IDPs and returnees constitutes a real challenge.
- Accelerated rural urban migration with its negative impacts on both sending and receiving areas constitutes a major challenge.
- Support to capacity development for effective implementation of the country's population strategy and policies is highly needed
- Gender-based violence and gender-based inequalities in employment and decision-making need more consideration.
- Population with special needs, especially the disabled, the homeless and street children require special attention
- Brain drain, especially of professionals and skilled labour, is an acute problem inflicting present-day Sudan; this requires paramount attention
- Institutional and human capacity development in planning, policy formulation, implementation and monitoring is an essential development challenge.

- Several challenges need to be met in order to fill data gaps and deficiencies in national information. Considerable resources are needed in order to generate improved statisticslogistical fieldwork support and data processing.

## **6. Recommendations for Post-2015 Development Agenda:**

- There is need to call for production of a text reference for the new psot-2015 development agenda, similar to the Millennium Declaration and similar to the detailed implementation framework of the Millennium Declaration, and not only discussion of quantitative goals and objectives only.
- Emphasis should be placed on integrating the two dimensions of political / institutional and cultural development in the conceptual development framework and in any new development strategy.
- The inclusion of specific goals relating to security, peace and governance in the new post-2015 goals is quite important.
- The importance of national ownership and national leadership, and the integration of the global agenda in the national development plans, after adapting the new set of goals in accordance to the national requirements.
- There need for reforming the international political and economic system to be more equitable.
- The commitment of the international organization to deal effectively with the new agenda as a coherent, integrated package, and avoiding the previous sectoral conducts.
- Review of macroeconomic policies directions in light of the newly designed eighth goal of the international partnership, and avoiding pressure on national policies that would increase social problems and a negatively impact development.

## References:

Abdel Gadir, Ali and Wani, Paul (2004) Opportunities and Challenges in the Post-Peace Era in Sudan, Background paper presented to UNDP, Sudan

African Development Bank Group (2010) SUDAN: Country Brief – 2010/2011 Regional Department, East II (OREB)

Hamid, Suzan Adam (2013) The Ramification of Economic Sanctions on Health Service System: a comparative study of Sudan health service system before and after economic sanctions, unpublished M.Sc. thesis, Oslo and Akershus University College of Applied Sciences, Faculty of Social Sciences

IMF (2013) Sudan Interim Poverty Reduction Strategy Paper, IMF Country Report No. 13/318, IMF Washington DC

IMF (2013) Sudan, IMF Country Report No. 13/317

IOM (2011) Migration in Sudan: a country profile, International Organization for Migration, Khartoum, Sudan

Joint Assessment Mission (JAM) (2005). "Clusters Report", Vol. III, Khartoum: UNDP, World Bank and Government of Sudan.

Ministry of Finance and National Economy (2012), "The real sector: current position, challenges and future prospects", a paper presented by the Ministry of Finance at the Economic at the Economic Forum, Khartoum, 26-27, November 2012.

Ministry of Welfare and Social Security (2010) "Sudan Millennium Development Goals Progress Report 2010"

Ministry of Welfare and Social Security and UNDP (2012) Sudan National Human Development Report 2012, UNDP, Khartoum, Sudan

National Population Council (2010) "Sudan Millennium Development Goals Report", Khartoum

National Population Council (2013) Sudan Health Related MDGS: progress made and agenda for post 2015, National Population Council, Khartoum

National Population Council (2013), General Secretariat Sudan National Consultation Paper on Post-2015 Development Agenda, NPC, Khartoum

OCHA, 2011 Sudan Humanitarian Update, 4<sup>th</sup> Quarter 2011

Suliman, Elnaeem (2013) Labour Force in Sudan 2011, a paper presented to the workshop on: analyzing results of the labour force survey 2011, Corenthia Hotel, December 2013.

Taha, Hassan Ahmed (2013) Evaluation of the Three Years Programme for Economic Sustainability, Second Economic Forum, Ministry of Finance and National Economy, friendship Hall (November 2013)

The Interim National Constitution of the Republic of Sudan

UN (2012) Sudan: United Nations and Partners Work Plan 2013

United Nations Development Assistance Framework UNDAF, 2009-2012

United Nations, General Assembly. "Unilateral economic measures as a means of political and economic coercion against developing countries." Report of the Secretary-General. United Nations, 14 July 2011

World Bank, Poverty Reduction and Economic Management Unit Africa Region (2009) Sudan: Toward sustainable and broad-based growth. Report No. 52514-SD December 2009. Washington, DC: World Bank.